

A METHOD FOR DYNAMICALLY EVALUATING PROJECTED DAYS OF
SUPPLY OF INVENTORY LEVELS IN A SUPPLY CHAIN

ABSTRACT OF THE DISCLOSURE

5 An exemplary embodiment of the invention relates to a
method for managing inventory of a stock item over a number
of convenient time periods. The method comprises receiving
an updated demand forecast and updating projected forecast
data; determining for a given time period: projected
inventory level using the projected forecast data, supplier
commitment data, and prior periods' projected inventory
levels; and days of supply of inventory using the projected
10 inventory level for a current period and forecast data for
subsequent periods. If the days of supply is out of a
predetermined range for a given time period, then
corrective actions are taken. Corrective actions include
modifying the supplier commitment data by increasing the
15 amount of commitment or delaying shipments.